

AGN. NO. _____

MOTION BY SUPERVISOR DON KNABE

May 25, 2004

Workers' Compensation costs will have soared to more than \$398 million for Fiscal Year 2004-2005, a 17.3% increase over Fiscal Year 2003-2004. The County of Los Angeles must do everything in its power to discourage and punish false claims. Workers' Compensation is a benefit put in place to protect employees and their families should injury prevent an employee from working. A large part of the cost increase is the growing cost of medical care. Another is the alarming increase in fraud committed by employees against the employer. Fraud cheats honest County employees with legitimate injuries, as well as the taxpayer who is paying the bill.

Working for the County is a privilege, not an entitlement. Every County employee is ultimately accountable to the taxpayers who trust us with their precious tax dollars to provide them with important services. Persons who have been convicted of filing fraudulent Workers' Compensation claims have forfeited the privilege of employment with the County of Los Angeles.

Local, state, or federal law does not prohibit or require the disqualification of

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MOTION

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applicants for employment with a public entity because of a prior fraud conviction. It is clear that prior Workers' Compensation fraud-related conviction directly impacts an applicant's ability to be trusted with a job funded by the taxpayers and therefore, should be grounds for disqualification.

Recently, the City of Los Angeles approved a motion requesting their City Attorney to prepare an ordinance requiring that all applicants for employment who have been convicted of Workers' Compensation fraud be automatically disqualified from employment and present the Ordinance to their Personnel Committee for discussion. The Personnel Committee has reviewed and approved the Ordinance and it is now up for consideration by the Mayor and City Council.

I, THEREFORE, MOVE that the Board request our County Counsel, the Department of Human Resources, and the Chief Administrative Office, Risk Management Division, to draft a similar ordinance requiring all applicants for employment who have been convicted of Workers' Compensation fraud be automatically disqualified from employment from the County of Los Angeles and report back to the Board in 60 days.

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